

# **State of Alaska FY2007 Governor's Operating Budget**

## **Department of Health and Social Services Designated Evaluation and Treatment Component Budget Summary**

## Component: Designated Evaluation and Treatment

### Contribution to Department's Mission

To protect and improve the quality of life for consumers impacted by mental disorders or illness.

### Core Services

The Designated Evaluation and Treatment component provides fee-for-service funding, on a payer-of-last resort basis, to designated local community and specialty hospitals for evaluation and treatment services provided to people under court-ordered commitment through AS 47.30.655-915, and to people who meet those criteria, but have agreed to voluntary services in lieu of commitment.

With this funding, a designated facility may provide up to 72-hour inpatient psychiatric evaluations, up to 7 days of crisis stabilization, or up to 40 days of inpatient hospital services close to the consumer's home, family, and support system. Component funding also supports consumer and escort travel to designated hospitals and back to their home community.

### FY2007 Resources Allocated to Achieve Results

**FY2007 Component Budget: \$1,211,900**

**Personnel:**

Full time	0
Part time	0
<b>Total</b>	<b>0</b>

### Key Component Challenges

Utilization of these services has grown every year since inception and is passionately supported with the stakeholder groups; often consumers prefer to avoid the perception of stigma associated with treatment at API. Since this component has not received increased funding at the same time that services are growing, the Division attempted to renegotiate contracts to contain unit costs for inpatient care and transportation costs. However, both hospitals and escort/transport agencies refused to accept lower offers and insisted on higher rates to cover increasing costs in both areas.

Because implementation of the program was regionalized, there was no consistency. Management efforts were strengthened to increase review and oversight to insure medical necessity within program guidelines; policies and procedures were updated. Management of the program was centralized into the Juneau office to insure consistency.

It is a further challenge that only two community hospitals in Fairbanks and Juneau provide inpatient psychiatric treatment beyond the evaluation and stabilization of patients in crisis. In FY05, three additional hospitals provided local evaluation services. Patients requiring treatment elsewhere around the state must leave their community to receive services. The Division encourages hospitals in Alaska's other communities to begin offering evaluation and stabilization services.

Cost control of this program is difficult without appropriate legislation and legislative support.

The DET program has consistently been underfunded by approximately \$500.0 to \$750.0 a year. This has occurred consistently over the past 5 years (within our knowledge) and causes current year expenditures in excess of our projected budget to be funded out of the next fiscal year's funds. However, as a state-mandated program, we must continue to provide and pay for the services within this program, no matter the level of funding that was provided. In

FY04, this program funded 356 patients' hospital stays and provided 681 transports for 519 patients. Since FY05 numbers will not be captured until the end of this calendar year, we do not have those figures currently. However, we have seen a drastic increase in services over FY05 of approx 40% in some regions of the state. The costs for hospitalization and transportation are also increasing, and we believe this will continue and the program will continue to fall further behind each year.

### Significant Changes in Results to be Delivered in FY2007

No changes in results delivered.

### Major Component Accomplishments in 2005

Because costs have exceeded budgetary allocation, the DBH staff have completed an extensive community education program around the state to familiarize the DET hospital staff and local behavioral health centers to the program in order to facilitate early discharge and follow up with appropriate community services.

In addition to the two treatment hospitals in Juneau and Fairbanks, all hospitals are being contacted to potentially provide Designated Evaluation and Stabilization services to eligible consumers across the state.

Expanded the process of utilizing Disproportionate Share Hospital (DSH) payments for funding an annual block of DET services in two Alaska hospitals. One hospital DSH agreement was expanded to cover transportation/escort costs statewide after DBH review and approval.

Established and provided training and technical assistance in the updated DET policies and procedures to hospital and community behavioral health staff in 20 communities.

### Statutory and Regulatory Authority

AS 47.30.520 - 620	Community Mental Health Services Act
AS 47.30.655 - 915	State Mental Health Policy
AS 47.30.011 - 061	Mental Health Trust Authority
7 AAC 78	Grant Programs
7 AAC 72	Civil Commitment
7 AAC 71	Community Mental Health Services

### Contact Information

**Contact:** Janet Clarke, Assistant Commissioner  
**Phone:** (907) 465-1630  
**Fax:** (907) 465-2499  
**E-mail:** Janet\_Clarke@health.state.ak.us

**Designated Evaluation and Treatment  
Component Financial Summary**

*All dollars shown in thousands*

	<b>FY2005 Actuals</b>	<b>FY2006 Management Plan</b>	<b>FY2007 Governor</b>
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Services	0.0	0.0	0.0
74000 Commodities	0.0	0.0	0.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	1,751.7	1,211.9	1,211.9
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>1,751.7</b>	<b>1,211.9</b>	<b>1,211.9</b>
<b>Funding Sources:</b>			
1037 General Fund / Mental Health	1,751.7	1,211.9	1,211.9
<b>Funding Totals</b>	<b>1,751.7</b>	<b>1,211.9</b>	<b>1,211.9</b>

**Summary of Component Budget Changes  
From FY2006 Management Plan to FY2007 Governor***All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2006 Management Plan</b>	<b>1,211.9</b>	<b>0.0</b>	<b>0.0</b>	<b>1,211.9</b>
<b>FY2007 Governor</b>	<b>1,211.9</b>	<b>0.0</b>	<b>0.0</b>	<b>1,211.9</b>